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FM AMEMBASSY BEIJING
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RUEHEG/AMEMBASSY CAIRO 0364
RUEHDM/AMEMBASSY DAMASCUS 0339
RUEHJM/AMCONSUL JERUSALEM 0710
RUEHOO/CHINA POSTS COLLECTIVE
RHEHNSC/NSC WASHDC
RUEAIIA/CIA WASHDC

UNCLAS BEIJING 001013

SIPDIS

E.O. 12958: N/A
TAGS: PREL PGOV PARM KNNP KWBG IAEA EFIN AMED CH KS KN
JA, RS, SY, IS, EG

SUBJECT: APRIL 16 MFA PRESS BRIEFING: NORTH KOREA, HOLBROOKE VISIT, SOUTH CHINA SEA, CURRENCY

- 11. Key points at the April 16 MFA press briefing:
- -- China has "taken note" of reports that International Atomic Energy Agency inspectors have been expelled from North Korea.
- -- Special Representative for Afghanistan and Pakistan Richard Holbrooke "exchanged views on issues of common interest including South Asia" during meetings with Foreign Minister Yang Jiechi and State Councilor Dai Bingguo.
- -- It is "completely lawful" for China to "conduct law enforcement activities" in its exclusive economic zones.
- -- China has "taken note" of the United States' declining to name China as a currency manipulator.

North Korea Reaction to UN Security Statement

¶2. China has "taken note" of reports that International Atomic Energy Agency inspectors have been expelled from North Korea, said spokesperson Jiang Yu at the April 16 regularly scheduled MFA press briefing. China hopes that "all relevant parties will proceed from overall interests and show restraint to jointly safeguard the Six-Party Talks." Promoting the denuclearization of the Korean Peninsula is "the consensus of all parties" and China is "willing to stay in contact with relevant parties." China also hopes that countries will "work together to promote the peace and stability" of the region.

Holbrooke Visit

¶3. Special Representative for Afghanistan and Pakistan Richard Holbrooke "exchanged views on issues of common interest including South Asia" during meetings with Foreign Minister Yang Jiechi and State Councilor Dai Bingguo. The two sides agreed to "increase cooperation" in the region.

South China Sea

14. The spokesperson had "no information" on reports that China is increasing its patrols of its exclusive economic zone in the South China Sea. Jiang did say, however, that it is "completely lawful" for China to "conduct law enforcement activities" in its exclusive economic zone.

Currency and U.S. Debt

¶5. China has "taken note" of the United States' declining to name China as a currency manipulator. China will "push forward Renminbi exchange rate mechanism reform" in order to "maintain stability" of the currency. This plan is "not only good for China but also good for the world economy." Asked about China's holding of U.S. Treasury Bonds, Jiang said that China seeks to maintain value and liquidity in its investments.

Train Quarantine

16. China "takes seriously" reports of Russian train passengers being quarantined due to the death of a Chinese woman passenger. China will "make further investigations into the matter." Asked whether China would conduct health checks on citizens leaving the country, Jiang said that it is the responsibility of the country being entered to conduct the checks.

Visits

<u>¶</u>7. Foreign Minister Yang Jiechi will travel to Egypt, Israel and the Palestinian Territories, Syria and Russia from April 21 to April 27 to "exchange views on bilateral and regional issues."

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